

House Engrossed

FILED

**JANICE K. BREWER
SECRETARY OF STATE**

State of Arizona
House of Representatives
Forty-seventh Legislature
Second Regular Session
2006

CHAPTER 94

HOUSE BILL 2327

AN ACT

AMENDING SECTION 10-626, ARIZONA REVISED STATUTES; RELATING TO CORPORATE
SHARES AND DISTRIBUTION.

(TEXT OF BILL BEGINS ON NEXT PAGE)



1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 10-626, Arizona Revised Statutes, is amended to
3 read:

4 10-626. Shares without certificates

5 A. Unless the articles of incorporation or bylaws provide otherwise,
6 the board of directors of a corporation may authorize the issuance of some or
7 all of the shares of any or all of its classes or series without
8 certificates. ~~Notwithstanding such authorization by the board of directors,~~
9 ~~every holder of uncertificated shares is entitled to receive a certificate~~
10 ~~that complies with the requirements in section 10-625 and, if applicable,~~
11 ~~section 10-627, on request to the corporation.~~ The authorization does not
12 affect shares already represented by certificates until these certificates
13 are surrendered to the corporation.

14 B. Within a reasonable time after the issuance or transfer of shares
15 without certificates, the corporation shall send the shareholder a written
16 statement of the information required on certificates by section 10-625,
17 subsections B and C, and, if applicable, section 10-627.

APPROVED BY THE GOVERNOR APRIL 11, 2006.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 11, 2006.